

State Management Plan for 49 USC § 5310

April 2005

To obtain information about this plan, you can

- Write to Compliance and Planning Specialist, WSDOT, Public Transportation and Commute Options Office, PO Box 47387, Olympia, WA 98504-7387
- Fax your questions to 360-705-6820, attention Compliance and Planning Specialist
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Prepared by the Public Transportation and Rail Division
Washington State Department of Transportation

April 2005

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Introduction

49 USC § 5310 Statutory Authority

Title 49 USC § 5310(a) declares that the U.S. Secretary of Transportation may make grants and loans to state and local governmental authorities to help them provide mass transportation service planned, designed, and carried out to meet the special needs of elderly individuals and individuals with disabilities.

Title 49 USC § 5310(a)(2) further authorizes the Secretary of Transportation to make grants to the chief executive officer of each state for allocation to the following types of organizations:

- Private non-profit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly persons and persons with disabilities when transportation services provided are unavailable, insufficient, or inappropriate
- Public bodies approved by the state to coordinate services for elderly and persons with disabilities
- Public bodies which certify to the governor that no non-profit corporations or associations are readily available in an area to provide the service

Eligible projects under this section may include:

- Capital assistance for passenger service equipment
- Capital assistance for computer hardware and/or communications

The Federal Transit Administration (FTA), who has the responsibility for national implementation on Title 49 USC § 5310, has provided further program guidance in its circular, *FTA Circular 9070.1E*. The circular elaborates upon the intent of the program, interprets some provisions, and provides for additional requirements. These requirements include program management and development of this State Management Plan. Therefore, the contents of this plan must comply with *FTA Circular 9070.1E*, as well as any other state conditions that are not in conflict with the circular. Further references in this State Management Plan to Title 49 USC § 5310 shall be the “§ 5310 program”

Program Goals

FTA has defined the goals of the § 5310 program, in *Circular 9070.1E* “to improve mobility for the elderly and persons with disabilities throughout the country. Toward this goal FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of the elderly and persons with disabilities in all areas--urbanized, small urban, and rural. The program requires coordination of federally assisted programs and services in order to make the most efficient use of Federal resources.”

The § 5310 program will be administered within the parameters of *Washington’s Transportation Plan*. Some recommendations of the plan address personal mobility.

Preservation and improvement

- Develop new tools for measuring access levels for public transportation in urban and rural areas.
- Establish the Public Transportation Facilities and Equipment Management System (PTMS) and develop guidelines for implementation in coordination with regional transportation agencies and transit providers.
- Coordinate the development of uniform ADA eligibility criteria to be used by transit providers statewide.
- Conduct a Special Needs and ADA Passenger Study. This study would identify any impact that ADA implementation has had on non-ADA eligible individuals with special needs.
- Public transportation providers will continue to meet ADA and state barrier-free design regulations and improve mobility for the special needs population.

Building partnerships and planning

Build partnerships between federal, state, regional, local, and private sector public transportation entities to improve public transportation planning and coordinate service delivery.

Action plan—developing a safety net

The Washington State Department of Transportation (WSDOT), the Agency Council on Coordinated Transportation (ACCT), the Community Transportation Association of the Northwest (CTA-NW), and the Washington State Transit Association (WSTA) will work with communities to develop a safety net of services in under served areas; this could mean paratransit services or a combination of paratransit and fixed route choices.

Roles and Responsibilities

State administration

The principal responsibility and authority for administering the § 5310 program is with the state agency designated by the Governor. The agency so designated in the state of Washington is the Washington State Department of Transportation (WSDOT).

The role of WSDOT includes but is not limited to, the following:

- Documenting the state's procedures in a state management plan
- Notifying prospective participants about the program and soliciting applications
- Coordinating with transportation management areas/metropolitan planning organizations regarding projects awarded in their area
- Developing project selection criteria
- Arranging for the evaluation of prospective projects for funding
- Reviewing and selecting projects for approval
- Developing the § 5310 element of the state transportation improvement program (STIP)
- Developing and forwarding an annual program of projects and grant application to FTA
- Certifying eligibility of applicants and project activities
- Developing contracts with selected agencies
- Overseeing the purchase of equipment
- Monitoring the purchase of transportation services for elderly and persons with disabilities
- Ensuring that equipment purchased with grant funds is operated consistent with program objectives
- Ensuring subrecipient compliance with all federal requirements; including all certifications and assurances
- Overseeing project audit and closeout

Statewide advisement

WSDOT draws upon other state agencies and staff from associations, which represent public transportation interests, to assist in reviewing the evaluation criteria, disseminating information about the program, and evaluating prospective projects. These agencies include the following:

- Agency Council on Coordinated Transportation (ACCT)
- Washington State Department of Health

- Washington State Association of Counties
- Community Transportation Association of the Northwest
- Governor's Committee of Disability Issues and Employment
- Washington State Transit Association
- Washington State Department of Social and Health Services or another agency representing Medicaid
- Governor's Office on Indian Affairs or another representative organization
- Organization representing senior transportation issues

Regulation

The Washington Utilities and Transportation Commission regulates all intrastate transportation service provided by the private sector beyond three miles of a city's limits or between any cities. This regulation includes private non-profit organizations transporting elderly persons or persons with disabilities in a public manner.

There are several categories of this regulation: driver training; safety of operation, including vehicle inspection; and minimum insurance levels for liability.

Metropolitan area coordination

There are eleven metropolitan planning organizations (MPOs) in Washington State three of which are transportation management areas (TMAs). All TMAs and MPOs have at least one local government providing public transportation services.

The TMAs are: Puget Sound Regional Council-serving King, Kitsap, Pierce, and Snohomish Counties; Southwest Washington Regional Transportation Council-serving Clark County; and Spokane Regional Transportation Council-serving Spokane County. These TMAs are also MPOs.

The other MPOs are: Benton Franklin Regional Council-serving the Richland/Kennewick urbanized area; Cowlitz -Wahkiakum Council of Governments-serving the Longview urbanized area; Thurston Regional Planning Council--serving the Olympia urbanized area; Whatcom County Council of Governments--serving the Bellingham urbanized area; Lewis Clark Valley Metropolitan Planning Organization-serving the cities of Lewiston, Clarkston, and Asotin; Wenatchee Valley Transportation Council-serving the Wenatchee urbanized area, Skagit Metropolitan Planning Organization-serving the urbanized areas of Skagit County; and Yakima Valley Conference of Governments--serving the Yakima urbanized area.

TMAs and MPOs are responsible for incorporating any § 5310 projects proposing service in their areas into their transportation improvement programs (TIPs). In addition, they are a source for assistance in coordination with other local transportation providers.

TMAAs have the option of arraying the projects in regional priority for funding within their respective counties. If the TMA elects to exercise this option, WSDOT will use this priority in selecting projects for funding in the TMA area. There are no constraints on the method by which TMAAs can make their respective priorities. Upon completion of the evaluation and selection process, WSDOT will notify each TMA and MPO of the projects selected for funding in their area and request that the projects be added to their TIPs.

Public transportation funding

There are three primary sources for funding for operating equipment to transport elderly and persons with disabilities. These are through the Area Agencies on Aging, Medicaid brokers, and local transit providers.

The state is divided into thirteen Area Agencies on Aging. These agencies are either private non-profit organizations or departments of local governments. Six serve single counties or an entire Indian reservation. The remainder are multi-county agencies. They have two primary sources of funding for transportation purposes. The Older Americans Act (federal), and the Senior Services Act (state) are not dedicated for any specific purpose, except that Area Agencies On Aging may allocate it among chore services, information and referral, nutrition, and transportation.

There are nine Medicaid transportation brokers throughout the state serving thirteen regions. Some are county agencies or non-profit organizations that also operate transportation services. The Washington State Department of Social and Health Services (DSHS) currently administers the Medicaid Transportation Program. DSHS periodically requests bids for broker agencies. It contracts with successful bidders who become responsible for connecting eligible passengers with the most appropriate, least cost provider.

In addition to the Medicaid and Area Agency on Aging funding, WSDOT's rural mobility grant program and paratransit/special needs program provides some operations assistance to public and private non-profit agencies for the transportation of elderly, persons with disabilities, and the general public citizens residing in rural areas.

With the exception of Columbia County, which intends to petition the voters in November 2005, all of the public transit agencies collect a local tax. With voter approval most transit agencies levy between 0.1 and 0.9 percent sales and use tax. One exception is the City of Pullman that levies a utilities tax. The revenues obtained from these tax levies must be used for public transportation purposes. The State Constitution and the Revised Code of Washington constrains how the funding may be spent.

Historically, the state funding program for public transportation is the rural mobility grant program. The purpose of the program is to "establish, preserve, and improve

rural public transportation.” Only projects benefiting residents of rural areas are eligible for this program. However, the services may be designed to meet the needs of elderly and persons with disabilities. Typical types of projects funded include: transit demonstrations, vehicle purchases, planning, and service operations.

In addition to the state rural mobility grant program, the 2003 Washington State Legislature approved a transportation funding package. This package includes funding for both rural and urbanized areas. The funding is divided into three categories:

- Rural Mobility
 - ◆ Competitive – Funding for projects in areas that are un-served or under-served by public transit systems
 - ◆ Formula – Funding distribution to transit systems, serving rural areas and small cities, in areas where the per capita sales tax collected is less than 80% of the state average.
- Paratransit/Special Needs
 - ◆ Private Non-Profit Competitive – Funding dedicated to private non profit organizations for new services to special needs populations
 - ◆ Formula – Formula distribution to transit agencies for new services to special needs populations. The formula is based on the historic service levels of demand response and route deviated services provided by each agency.

Note: The Paratransit/Special Needs funds may be used as a matching source for the § 5310 program.
- Vanpool Capital Grants (for transit agencies only) - Transit agencies will be provided grants to purchase vanpool equipment. The funds must be used to expand the vanpool program and cannot supplant the transit agency’s current support.

State Program Constraints

Eligible Subrecipients

The following entities are eligible to apply for § 5310 assistance:

- Private non-profit organizations providing or seeking to provide transportation services to elderly or persons with disabilities (These agencies must provide proof of their non-profit status. To complete this, they must submit a copy of the letter issued to their organization by the Internal Revenue Service).
- Public agencies which certify that no non-profit organizations in the service area are readily available to provide the services
- Public agencies authorized to coordinate services for elderly persons and persons with disabilities

In addition, WSDOT requires private non-profit applicants to hold or obtain a certificate from the Washington Utilities and Transportation Commission (WUTC), which authorizes the non-profit agency to provide transportation.

Eligible Projects

Capital

Capital Assistance projects eligible under § 5310 in Washington State include the purchase of equipment to be used for the direct provision of transportation services to elderly and persons with disabilities. Projects may include:

- Wheelchair accessible passenger transportation vehicles (subrecipient grants may also include travel costs associated with vehicle inspections and pre-award audits, if required/approved)
- Communications equipment (mobile radios, base stations, etc.)
- Purchase and installation of passenger bus shelters or signs
- Ridership and data systems
- Computers, computer related equipment, and software to support dispatching, record keeping, financial management, and statistical data related purposes (as WSDOT deems appropriate)

Local and/or State Share and Funding Requirements

Under WSDOT's consolidated application process, described in the Method of Distributing Funds and Program Development Process on the next page, applicants are not required to provide local funds to support their projects. In this case, WSDOT

may supplement the project with state rural mobility or paratransit/special needs funds.

Capital assistance

The local and/or state share for capital assistance is 20 percent of eligible expenses. There is no provision for a local or state share of less than 20 percent. However the 20 percent match requirement may be met using a combination of local funds and funds derived from the state paratransit/special needs program, the state rural mobility program or other eligible state funds. WSDOT will permit a local share greater than 20 percent; however, this will not affect the selection of projects. If the total eligible capital expenses may exceed the amount budgeted the project may be supplemented with additional local, state, and/or federal funds depending on availability.

There are a few restrictions on the source of the local share of the project costs

- The funds cannot be derived from federal sources
- No use restrictions may be put on the equipment by that funding source
- The receipt of the funds from the source cannot effect the legal ownership of the equipment

Method of Distributing Funds and Program Development Process

Application Cycle

Beginning with the 2003-2005 biennium, WSDOT developed a consolidated application process. The timing of this process is scheduled to coincide with the state biennial cycle. Applications are made available in late summer to early fall of even years for two year projects beginning in July of the following year. The benefits of this timing include:

- Putting federal and state grant applications on the same cycle, thus maximizing the ability of state funds to match federal projects
- Having one unified call for projects
- Minimizing paperwork burden to applicants
- Providing a single application process for state and federal public transportation funding
- Providing the state with the flexibility of selecting the funding sources to be used for specific projects
- Providing a list of public transportation needs to the state legislature during the state budget cycle.

The consolidated application process was developed through of consultation with representatives from:

- Agency Council on Coordinated Transportation (ACCT)

- Washington State Transit Association
- Community Transportation Association of the Northwest, and
- Staff from the Senate Highways and Transportation Committee and the House Transportation Committee

Through the consultation process new evaluation criteria was also developed. That criteria is described in the Evaluation Criteria and Rating of Applications section of this plan.

Following the consultation process, a public hearing was conducted before the Washington State Legislative Transportation Committee.

Method used

Each biennium WSDOT establishes evaluation teams that review applications received and make recommendations to WSDOT regarding project priority. WSDOT draws from the following agencies and organizations for representation on evaluation teams:

- Agency Council on Coordinated Transportation
- Community Trade and Economic Development
- Washington State Transit Association
- Community Transportation Association of the Northwest
- State or Regional Aging programs
- State or Regional representative from a Medicaid transportation program
- Association of Washington Cities or Washington Association of Counties
- Regional Transportation Planning Organization/Municipal Planning Organizations
- Governor's Office on Indian Affairs or an individual representing Tribal Governments
- Community Action Councils
- Washington Utilities and Transportation Commission
- WSDOT Staff

A single grant application is used regardless of the type of funding to be used for the project. The application forms are also available in electronic format via the Internet. If organizations are unable to access the Internet, WSDOT will forward an electronic copy upon request by the potential applicant. In addition, WSDOT provides a written interpretation of the application questions in the *Application for State and Federal Consolidated Grants*, as well as a complete description of the evaluation process. WSDOT's Public Transportation and Rail Division also offers technical assistance in grant writing. To avoid conflict of interest issues, grant writing assistance is performed by staff that is not involved with the evaluation of the grant applications.

During the application period, WSDOT conducts training workshops to explain the program requirements, application process, and project selection to potential applicants. These workshops are also beneficial in enhancing the coordination between public transportation providers in the same geographical area.

After applications have been received and the submission deadline has passed, WSDOT provides each evaluation team member with copies of the applications, evaluation materials, and criteria to be used for project evaluation. Following an agreed upon time frame, the evaluation teams meet to discuss the merits of each proposal and their individual evaluations to come to a consensus on a final prioritized list to recommend to WSDOT for funding. The teams may recommend conditions of grant approval.

Once the evaluation teams' recommendations are received the WSDOT may request additional information and negotiate with the applicants prior to finalizing the ranked list of projects. WSDOT reviews the successful projects to determine the most appropriate funding source. Final awards are made once federal appropriations are announced and the Governor signs the state transportation budget. The applicants whose projects are selected for § 5310 assistance are notified to submit the required certifications and assurances and to proceed with the public hearing (public agencies only).

After the subrecipients submit the required documentation WSDOT prepares the program of projects to recommend to FTA for funding. WSDOT may reduce funding levels on some projects based on their placement on the prioritized list of projects and the available state and federal allocations.

Policy rationale

The biennial consolidated application method provides for maximum flexibility and encourages transportation providers to increase their coordination efforts with others in their community. It allows WSDOT to respond to local developments, such as a new or emerging public transportation systems, or the reduction of services provided by an existing transit agency. It allows WSDOT to respond to the natural unevenness of local needs within a statewide environment of insufficient resources to meet the equipment and operational needs of agencies providing transportation to elderly and persons with disabilities. It provides a streamlined process for potential applicants. They no longer need to prepare multiple applications, targeting different funding sources, for a single project.

This method of distribution was designed to help the evaluation team gain a better understanding about the individual needs of each applicant and the resources and alternatives available to applicants in each region of the state.

Equity of distribution

This distribution method accomplishes generally fair and equal treatment of all concerned. WSDOT announces the availability of the *Application for State and Federal Consolidated Grants* in the *Grass Routes* newsletter published by the Public Transportation and Rail Division and on the WSDOT Public Transportation web site. In addition, a mass mailing goes out to all mayors of rural cities, county commissioners, rural transit system managers, Native American tribal governments, Area Agencies on Aging, Medicaid brokers, the Community Transportation Association Northwest, the Washington State Transit Association, the Northwest Motorcoach Association, minority based social service organizations and organizations who have expressed interest in previous grant programs including private for profit public transportation providers.

Transfer of Section 5310 funds

WSDOT will transfer § 5310 funds to the § 5311 program only when insufficient applications have been selected to meet the annual federal allocation of those funds. WSDOT will make every attempt to verify that all selected applications are described sufficiently and estimates of costs are reasonable.

WSDOT will determine the amount of any funds to be transferred after the federal allocation has been received. The designated amount will be reserved for the § 5311 program applications that are received the following July.

Coordination

Coordination is the most important element to the success of the § 5310 program in Washington State. Coordination is called for and implemented through the *Washington's Transportation Plan* (WTP) and the *Public Transportation Plan*. The WTP identifies policy objectives for coordinating public transportation with other transportation services and modes.

State level coordination

One element of state level coordination involves the development and distribution of § 5310 grant program information. WSDOT accomplishes this primarily through the statewide mailings of the *Application for State and Federal Consolidated Grants*, program information provided on the WSDOT Public Transportation website, technical assistance and outreach provided by the Program Manager and the public involvement process associated with programmatic changes to this State Management Plan. The *Application for State and Federal Consolidated Grants* contains all requisite information about the program in Washington State.

Another coordination element is WSDOT's participation in the Agency Council on Coordinated Transportation (ACCT). ACCT was created in September 1997 and formalized in March 1998 with the signing into law of State House Bill 2166. ACCT

is an interagency team that fosters coordination of transportation for people with special transportation needs (children, low income, the elderly, and persons with disabilities) by providing a forum to identify, discuss, and resolve coordination barriers.

ACCT supports coordination among public transportation organizations, private non-profit transportation providers, and public organizations that need transportation in order for clients to access jobs, services, and education. Through coordination increased efficiency and effectiveness can be achieved.

In addition, the evaluation teams that assist WSDOT with project selection are made up of representatives of various agencies and organizations identified in the Method of Distributing Funds and Program Development Process section of this Plan.

When programmatic changes are made to this State Management Plan, WSDOT will advertise the availability the Plan, first in the draft version and then in its final form. This notification will be accomplished by use of the *Grass Routes* newsletter; the Public Transportation and Rail Division's internet site; and a mailing to all rural public transportation operators, county commissioners, mayors of rural cities, tribal governments, Medicaid brokers, the Area Agencies on Aging, and all previous applicants to the program. A public meeting will be held during the comment period of the Plan. The meeting will be announced in the same manner as described above. Information gathered in the public meeting will be considered for inclusion in the development of the final form of the Plan.

Project level coordination

All applicants are expected to coordinate with other transportation providers in their service area. As part of their grant application, applicants are asked to discuss their efforts to coordinate services or create partnerships to support the proposed project. These groups include, but are not limited to, group homes, nursing homes, other transportation operators, and local governmental agencies. The narrative is an important item in their application. Poor coordinating efforts can drastically impact the success of an applicant to receive funding.

As financial resources become increasingly scarce, the ability to maintain service is affected directly by how successful an agency is in coordinating their transportation services with other providers and funding sources. Applicants are also strongly encouraged to take part in the Agency Council on Coordinated Transportation (ACCT) Local Coordinating Coalition in their service area.

State Administration and Technical Assistance

FTA Circular 9070.1E permits WSDOT to retain up to 10 percent of the state's annual apportionment of § 5310 Program funding for state administration and

technical assistance. WSDOT utilizes this for staff, travel, and support costs. Activities include:

- Developing and distributing the *Application for State and Federal Consolidated Grants*
- Coordinating the evaluation process for project selection
- Conducting workshops for potential applicants and/or grantees
- Meeting with the staff of providers/applicants to clarify requirements
- Providing technical assistance for the coordination and provision of special needs transportation
- Obtaining and updating the requisite assurances and documentation for FTA
- Developing the grant application to FTA
- Developing and monitoring the grant agreements with selected grantees
- Overseeing grantees' capital procurement processes
- Updating the *Guide to Managing Your Public Transportation Grant*
- Preparing requisite reports to FTA
- Ensuring subrecipient compliance with federal regulations
- Updating this *State Management Plan*.

There are other administrative costs, such as printing the *Application for State and Federal Consolidated Grants*, *Guide to Managing Your Public Transportation Grant*, and this State Management Plan; legal advertisements and travel costs for evaluation team members to participate in the prioritization process.

Implementing Federal Policies

Civil Rights

WSDOT requires that subrecipients recommended for federal project funding submit all project appropriate FTA certifications and assurances prior to contract execution and annually thereafter.. These include but are not limited to:

- Standard Assurances
- Nondiscrimination Assurances
- Private Mass Transportation Companies
- Assurance of Nondiscrimination on the Basis of Disability

WSDOT will not execute any grant contract without having first received these items.

WSDOT exercises an active oversight role with regard to the equipment procurement process. WSDOT requires that bidding documents for vehicles or other equipment are in compliance with Subpart D, 49 CFR, Part 26.” This requirement relates to the purchase of goods and/or services from disadvantaged business enterprises (DBE).

In the event that a subrecipient is required to develop a formal DBE plan, the Compliance and Planning Specialist of the Public Transportation and Rail Division will work with them in coordination with WSDOT’s Office of Equal Opportunity to ensure the plan meets the federal requirements.

WSDOT coordinates the bidding process for vehicle purchases. Subrecipients are given the option of taking part in WSDOT’s coordinated bid, purchasing through an existing contract with another governmental agency, or conducting the procurement themselves. If the subrecipient chooses to conduct the procurement, WSDOT reviews and approves the bidding documents. One of the items scrutinized is how the vehicle complies with the American’s with Disabilities Act (ADA). WSDOT requires all vehicles purchased with § 5310 funding to be accessible and comply with ADA requirements unless the subrecipient can prove that they have adequate ADA accessible equipment to meet the needs of the elderly and persons with disabilities in their service area.

Section 504 and ADA

WSDOT notifies each grant recipient at the time of the grant award that the Public Transportation and Commute Options Office may be contacted by anyone alleging discrimination in service or employment, including Section 504 and ADA. Any written complaints alleging discrimination are referred to WSDOT’s Office of Equal Opportunity.

School Transportation Agreement

WSDOT has included FTA's School Transportation Agreement in its *Guide to Managing Your Public Transportation Grant*. This manual is distributed to all subrecipients prior to contract execution. Subrecipients are instructed that they must comply with this rule. As required by 49 U.S.C. 5323(f) and FTA regulations, "School Bus Operations," at 49 CFR 605.14, the Applicant agrees that it and all its subrecipients will: (1) engage in school transportation operations in competition with private school transportation operators only to the extent permitted by 49 U.S.C. 5323(f), and Federal regulations; and (2) comply with the requirements of 49 CFR part 605 before providing any school transportation using equipment or facilities acquired with Federal assistance authorized by 49 U.S.C. chapter 53 or Title 23 U.S.C. for transportation projects. An exception would be the transportation of students with disabilities who are eligible passengers.

The Applicant and subrecipients understand that a violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.

Private Sector Participation

The majority of the eligible recipients for this program are private sector non-profit agencies. However, as part of the application process, applicants are encouraged to contact other transportation providers and coordinate their services with those providers. Applicants are requested to identify in their application all efforts to work with other agencies and stakeholder groups. Coordination with all transportation providers in the same geographic area, including private sector providers, significantly impacts an applicant's success in the selection process.

Other Provisions

Regulations associated with vehicle purchases

WSDOT exercises an active oversight position with regard to the equipment procurement process. Subrecipients are required to include a "Buy America" provision and certification with their bidding documents for vehicles. Additional details of federal procurement requirements are outlined in the state document titled: *Guide to Managing Your Public Transportation Grant* and in FTA's Best Practices Procurement Manual. Each grantee receives a copy of the *Guide to Managing Your Public Transportation Grant* during mandatory training following award of FTA § 5310 funding.

WSDOT has prepared a suggested checklist for its subrecipients to use in complying with FTA's pre-award audit requirements. The checklist addresses "Buy America;" Federal Motor Vehicle Safety Standards; Bus Testing, and the subrecipients own specifications, as modified through the approval of equals process. Subrecipients are

required to verify certified information by use of the checklist during the visit at the manufacture's factory.

Subrecipients may include costs for the audit trips in their grant application budgets for § 5310 program equipment. However, if a trip is needed, the subrecipient may designate another qualified individual or organization to perform the required inspection of the vehicle manufacturer's site. When a subrecipient plans to award a bid to the same manufacturer for a similar vehicle as in a recent bid award under the another FTA funded program, WSDOT will consider allowing the subrecipient to accept mailed documentation in lieu of the factory visit.

WSDOT has prepared checklists (Visual Inspection Form and Road Test Form) for the subrecipient's use in the post-delivery inspection of the vehicle(s). A copy of the completed checklist is required when the subrecipient submits their request for reimbursement.

Commercial driver's license

In Washington State, the Department of Licensing issues the Commercial Driver's Licenses. There are no provisions, nor is there authority, for WSDOT on this matter.

Restriction on lobbying and code of ethics

WSDOT requires each subrecipient receiving more than \$100,000 to complete FTA's Certification on Lobbying prior to contract execution. All bids for equipment prepared by these subrecipients are required to contain this certification as well.

WSDOT's contract with subrecipients includes which requires the development and implementation of a written code of ethics. All staff, officers, employees, board members or agents of the subrecipient are required to comply with the code of ethics. WSDOT verifies compliance with this regulation during project monitoring visits.

Drug-free work place

WSDOT annually certifies its compliance with the Federal Drug-Free Work Place requirements to FTA.

Environmental regulations

WSDOT anticipates funding only projects with categorical exclusion from both the National Environmental Protection Act and the State Environmental Protection Act. Therefore, there should be no further documentation necessary. However, should a project be approved that is subject environmental regulations, WSDOT will ensure that the subrecipient meets all the environmental requirements. WSDOT requires the subrecipient to submit all necessary documentation.

State Program Management

Financial Management and Project Monitoring

State administration, accounting and financial reporting

WSDOT maintains a financial management system for financial reporting, accounting records, internal controls, and budget controls subject to standards specified in state laws enforced by the State Auditor, the State Office of Financial Management, and the Legislative Transportation Committee. All systems and procedures for financial management are in compliance with 49 CFR 18.20, the “Common Rule.”

Procedures for incurring and recording expenditures associated with state administration of the § 5310 program are subject to the constraints of WSDOT’s Purchasing Manual, M72-80, WSDOT’s Chart of Accounts, State Administrative and Accounting Manual (SAAM) and the “Transportation Reporting and Accounting Information System” (TRAINS). WSDOT submits reimbursement requests to FTA for project expenditures based on the information contained in the TRAINS system.

Subrecipient financial management

WSDOT develops and executes grant agreements with subrecipients. All project related capital assistance expenditures are incurred locally and reported to WSDOT after the agreements have been executed. WSDOT executes the agreements after the FTA and state funds are secured. Agreements are completely executed after the Electronic Grant Agreement has been signed by FTA and WSDOT. All grant agreements for capital projects detail the equipment approved for purchase and its intended use.

WSDOT reimburses the subrecipient, with state, and/or federal funds based on the proportions identified on the grant agreement. However, the federal share on any project shall not exceed 80 percent of the actual costs for equipment purchases. Grant expenditures are identified by federal grant, state grant program, and subrecipient grant number in the TRAINS system by federal grant number, grant program and subrecipient grant number. Subrecipients retain the original receipts for all eligible project expenditures. In the case of equipment projects, subrecipients are required to attach copies of vendor invoices to reimbursement requests.

WSDOT maintains individual spreadsheets for each subrecipient. These spreadsheets track project expenditures, matching sources, and project budgets. Additional spreadsheets are prepared which summarize the total expenditures on each federal grant. The spreadsheets are used to reconcile the grant expenditures shown in the TRAINS system and for revisions to the program of projects and project budgets.

Vehicle licensing and insurance are not eligible for reimbursement under a capital project. Vehicles with a capacity of 15 passengers or less (including the driver), that will be used for vanpooling or transporting persons with special transportation needs, are not subject to sales tax per RCW 82.08.0287. To exercise this option the agency must apply for an exemption and be issued rideshare plates by the Department of Licensing. Sales and use taxes (excluding the local transit portion of sales tax) charged to the subrecipient for vehicles are eligible for reimbursement.

On site visits

Public Transportation and Commute Options Office staff perform on-site project monitoring visits with subrecipients receiving grant assistance. The staff members performing the visits use checklists which outline the accounting and record keeping requirements based on *OMB Circulars A-122, and A-87*; the administrative requirements found in *OMB 49 CFR Part 18 and Part 19*; the regulatory requirements attached to the receipt of federal funds; and vehicle inventory and maintenance records.

WSDOT provides subrecipients with guidance on meeting the financial management requirements in the *Guide to Managing Your Public Transportation Grant*.

Audits

The State Auditor is legally responsible for conducting audits of state agencies and local governments, including public transit agencies. These audits comply with *OMB Circular A-133*. The State Auditor issues reports at the completion of the audits. State administration through WSDOT and any project grants made to a public entity will be subject to this process. Copies of these audit reports are sent to WSDOT by the State Auditor's Office.

Subrecipients who are private non-profit organizations or Native American Tribal Governments and receive in excess of \$500,000 in federal funds during a federal fiscal year are required to obtain audits of their expenditures and operations annually by an independent audit firm. The audit firm is instructed by the subrecipient to send a copy of the report to WSDOT the year after they incur grant-related expenditures. WSDOT's Audit Office reviews the audit reports for compliance with *OMB circulars A-110, A-122, and A-133*. The subrecipient and the audit firm preparing the audit report must resolve any questions arising from the Audit Office.

Close Out

WSDOT closes projects several months after reimbursing the subrecipient for the last of its eligible expenditures. The process is one of the following:

- A. Verbal verification by WSDOT with the subrecipient's representative that all project expenditures have been incurred and reimbursed, or
- B. All funding available in the subrecipient agreement has been reimbursed.

In the instance of example “A” above, the Public Transportation and Commute Options Office notifies the WSDOT Accounting and Audit offices of closure. In the instance of “B” above, WSDOT closes the project with the final payment.

Closure of the capital agreements is for fiscal purposes only. Capital assistance agreements have a term equivalent to the useful life of the equipment purchased, which can be up to twelve years after acceptance of the equipment. WSDOT may amend or terminate capital assistance agreements when project equipment is transferred between subrecipients before its useful life has been reached.

Procurement

Purchasing equipment under the § 5310 program may be conducted directly by the subrecipients, with WSDOT oversight; from an existing contract with another governmental agency; or the subrecipient may participate in WSDOT’s coordinated bid process. WSDOT’s role is to assure purchases are made competitively and in compliance with federal procurement policies. Subrecipients are supplied with the *Guide to Managing Your Public Transportation Grant*, which outlines the proper bid procedures and applicable federal procurement policies and procedures. WSDOT requires that all bid documents and specifications prepared by the subrecipients be submitted for review and approval prior to seeking bids for vehicles, to assure compliance with federal standards.

WSDOT maintains a list of interested vehicle dealers and manufacturers. Subrecipients are required to send these dealers and manufacturers the bidding documents. Subrecipients have the option to send the bid documents to other dealers who may not appear on the list. However, those dealers and/or manufacturers must certify that they have not been debarred from bidding on federally funded contracts. WSDOT also maintains a selection of vehicle specifications for use by subrecipients. As subrecipients proceed in their approval of equals process, they are required to consult WSDOT to assure maintenance of a competitive procurement process.

Property Management

Legal ownership of all vehicles purchased under the § 5310 program is retained by WSDOT. When titling a vehicle subrecipients are listed as “Registered Owner,” responsible for licensing and collision insurance; and WSDOT as “Legal Owner,” and loss payee should anything happen to the vehicle. Ownership of all other equipment will be vested with WSDOT, with local daily control by the subrecipient.

WSDOT has designed a database that contains all vehicle inventory records. Reports within this database distinguish between currently owned vehicles and those that have served their useful life and have been released to the subrecipient. The information in the database includes, but is not limited to the subrecipient’s name, address and

phone number; vehicle year, make, and model; date accepted; included equipment; location; federal grant number and state agreement number; federal percentage share; date last inspected, recorded mileage, and condition; type of funding used for the purchase; and other information used by WSDOT for program review and reporting.??

Inventory reports

WSDOT requires capital assistance subrecipients to submit an annual Owned Rolling Stock Inventory. The inventory will include the following information:

- Year/Make/Model
- Vehicle Code
- Vehicle Identification Number
- Agency Vehicle Number
- Condition
- Age
- Remaining Useful Life
- Replacement Cost
- ADA Access
- Seating Capacity
- Fuel Type
- WSDOT Title

The information obtained from these inventories will become part of the inventory record along with the title and certificate of collision insurance coverage.

To ensure that the vehicles are properly maintained, WSDOT randomly reviews vehicle maintenance records and physically inspects vehicles as part of the on-site visits. These visits are conducted, at a minimum, every other year

Reporting Requirements

Subrecipients are required to prepare a variety of reports on a quarterly basis. These include a project narrative, local matching sources used, number of passenger trips provided, vehicle miles traveled, and revenue service hours provided. They are also required to report on an annual basis their efforts in purchasing from DBE vendors and a vehicle condition report.

Vehicle Use

WSDOT restricts vehicle use to passenger transportation services. Vehicles must be used in service that is designed to meet the needs of elderly and persons with disabilities.

Subrecipients of capital grants for vehicles are expected to attain a minimum of 100 passenger service miles per week, per vehicle; or 100 one-way passenger trips per week per vehicle. The Asset Management Specialist monitors compliance by review of passenger trip and mileage data shown on quarterly and annual reports.

Subrecipients may not transfer the operational control of a vehicle purchased under this program to anyone else without prior written approval from WSDOT.

Disposition

At the end of a vehicle's useful life

WSDOT has determined the useful life of specified vehicles. WSDOT will release interest in a vehicle on the anniversary of the equipment's acceptance, based on the date of acceptance and anticipated useful life.

This useful life is determined as follows:

Type of Vehicle	Useful life
Minivans and Vans	4 years
Minibuses w/four wheels	5 years
Minibuses, cutaway style, dual rear wheels, wheelbase up to 158"	6 years
Minibuses, cutaway style, dual rear wheels, wheelbase 159"-181"	7 years
Buses, GVW 14,000-19,000 lbs.	8 years
Buses, GVW 19,001-27,000 lbs	9 years
Buses GVW greater than 27,000 lbs	12 years

Prior to the end of the vehicle's useful life

Subrecipients may purchase the Federal interest at any time before the expiration of the equipment's useful life. If this occurs, WSDOT requires that the subrecipient remit the federal percentage share of the equipment's current fair market value to WSDOT. The fair market value is determined by obtaining an independent appraisal of the equipment.

When an accident occurs which eliminates a vehicle from further operations, WSDOT receives the insurance proceeds. If the subrecipient is purchasing a replacement vehicle, the proceeds are forwarded to them upon evidence that the replacement has been received, paid for, and legal ownership is vested in WSDOT. Replacement vehicles must be a similar type vehicle and of equal or greater value than the one damaged. If the damaged vehicle is not replaced, WSDOT retains the federal percentage share of the equipment and remits the local share to the subrecipient.

The federal share remitted to WSDOT is retained by the Public Transportation and Commute Options Office and is used to provide capital and/or operations assistance to local governmental agencies and private non-profit agencies who provide public transportation services.

Evaluation Criteria and Rating for Applications

Evaluation Criteria

WSDOT established specific criteria to be used by evaluation team members when reviewing all proposals. Team members are advised of the criteria at the time the evaluation materials are distributed to them. All applications will be scored on three components:

- Project component
 - ◆ Does the project establish, preserve or improve public transportation services in a community?
 - ◆ Does the project address a recognized need in the community?
 - ◆ Does the project reflect a community process?
 - ◆ Does the project appear to be feasible as described?
- Applicant component
 - ◆ Does the applicant report sufficient experience in managing transportation projects to provide assurance of success?
 - ◆ Does the applicant report sufficient experience in managing previous grant awards?
 - ◆ Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project?
 - ◆ Does the applicant report the leveraging of funds from other sources to support the implementation for the project?
 - ◆ Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- Performance component
 - ◆ Does the project describe community benefits resulting from the grant?
 - ◆ Does the project define the performance measures to be used in determining the success of the project?
 - ◆ Does the project describe an active coordination effort aimed at improving efficiency and effectiveness?

Rating Process for Applications

The evaluation mechanism used in the selection process consists of the following:

- WSDOT assembles the evaluation teams.
- Copies of applications are distributed to team members for review. They are instructed on the program criteria and how to perform the process.
- A date is established for the completion of the rating process.
- Application comparison is completed as follows:

Step 1: Each application is assigned a number and placed on a grid which pairs it with each of the other applications received by the team member. (See example of grid below.)

	1	2	3	4	5	6	7	8	9	10
2	1 2	-	-	-	-	-	-	-	-	-
3	1 3	2 3	-	-	-	-	-	-	-	-
4	1 4	2 4	3 4	-	-	-	-	-	-	-
5	1 5	2 5	3 5	4 5	-	-	-	-	-	-
6	1 6	2 6	3 6	4 6	5 6	-	-	-	-	-
7	1 7	2 7	3 7	4 7	5 7	6 7	-	-	-	-
8	1 8	2 8	3 8	4 8	5 8	6 8	7 8	-	-	-
9	1 9	2 9	3 9	4 9	5 9	6 9	7 9	8 9	-	-
10	1 10	2 10	3 10	4 10	5 10	6 10	7 10	8 10	9 10	-

Step 2: Application 1 is then compared to application 2; the evaluator will choose the proposal that is more favorable based on the criteria, identified under Evaluation Criteria and circle the corresponding number on the grid. Application 1 is then compared to application 3 and so on. This step is repeated with each application until a comparison has been made between all assigned applications. (See grid below)

	1	2	3	4	5	6	7	8	9	10
2	1 2	-	-	-	-	-	-	-	-	-
3	1 3	2 3	-	-	-	-	-	-	-	-
4	1 4	2 4	3 4	-	-	-	-	-	-	-
5	1 5	2 5	3 5	4 5	-	-	-	-	-	-
6	1 6	2 6	3 6	4 6	5 6	-	-	-	-	-
7	1 7	2 7	3 7	4 7	5 7	6 7	-	-	-	-
8	1 8	2 8	3 8	4 8	5 8	6 8	7 8	-	-	-
9	1 9	2 9	3 9	4 9	5 9	6 9	7 9	8 9	-	-
10	1 10	2 10	3 10	4 10	5 10	6 10	7 10	8 10	9 10	-

Step 3: A prioritized list of projects is created based on the number of times each application was selected in this process. The evaluation teams are then reassembled to discuss their individual scores and review the prioritized list of projects. The evaluation committee will make a recommendation on any projects that should not be considered for funding. The prioritized list is reviewed, revised as necessary, and approved by WSDOT. After the Governor signs the state budget and WSDOT has been notified of the allocation amount for the § 5311 program, a project budget is developed based on the prioritized list and all applicants are notified as to the results of their application.